BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF POSTAL SERVICE WITNESS SCHERER TO OCA INTERROGATORIES (OCA/USPS-T30-3-4)

The United States Postal Service hereby provides the response of Postal Service witness Scherer to the following interrogatories of the Office of the Consumer Advocate: OCA/USPS-T30-3-4, filed on October 1, 2001. Interrogatories 1 and 2 were redirected to the Postal Service.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Richard T. Cooper

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2993 Fax –5402 October 15, 2001

RESPONSE OF POSTAL SERVICE WITNESS SCHERER TO OCA INTERROGATORIES

OCA/USPS-T30-3. Priority Mail market share, in terms of total pieces, declined from 62.7 percent in FY 1997 to 61.8 percent in FY 1998. Please provide the market share for Priority Mail for FY 1999, FY 2000 and FY 2001 and provide the source for your response.

RESPONSE:

Priority Mail's share of total pieces in the "Second-Day and Third-Day Air Letters and Packages" market from 1996 to 2001, as estimated by The Colography Group, Inc., is provided in Attachment H to my testimony. The yearly totals represent calendar years, not fiscal years.

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OCA/USPS-T30-4. Please indicate whether the Priority Mail market share in terms of revenue has continued to remain static at about 45 percent for FY 1999, FY 2000 and FY 2001 and provide the source for your response.

RESPONSE:

According to The Colography Group, Inc., Priority Mail's share of total revenue in the "Second-Day and Third-Day Air Letters and Packages" market was 45.4 percent in calendar year 1999. The market share dipped to 43.7 percent in 2000 and rose to 44.9% in the first two quarters of 2001.

DECLARATION

I, Thomas M. Scherer, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

THOMAS M. SCHERER

Dated: 10-15-01

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Richard T. Cooper

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